

The President's Daily Brief

1 February 1973

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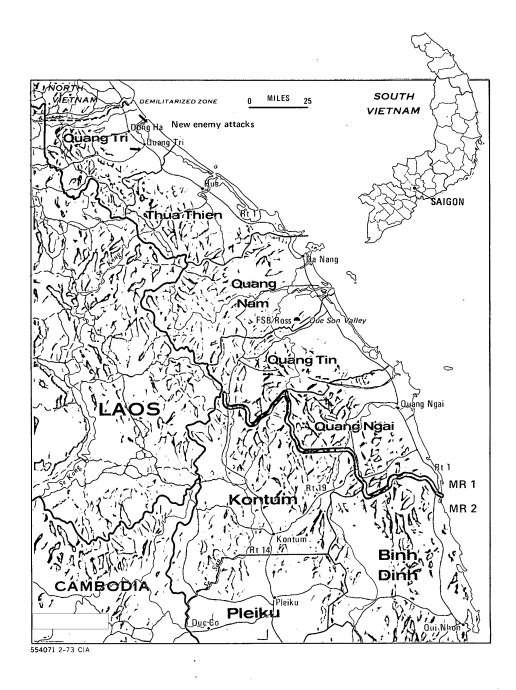
THE PRESIDENT'S DAILY BRIEF

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In Vietnam, fighting remains heavy in Quang Tri Province, but continues at a reduced level else- where in the country.	
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FOR THE PRESIDENT ONLY



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VIETNAM

Fighting remains heavy in Quang Tri Province following the government's loss of a foothold on the Cua Viet River. Elsewhere in the country, fighting continues at a reduced level, but in the central provinces there are tenuous indications that a new increase in combat may be in the offing. Intercepted messages disclose that subsequent to the cease-fire an element of the North Vietnamese 711th Division has moved into a position from which it could launch attacks on South Vietnamese units defending Fire Support Base Ross, a key government post overlooking the disputed Que Son Valley in Quang Nam Province. Enemy units are still blocking some of the major roads in the central provinces. One of the most significant interdiction points is in southern Quang Ngai Province where the Communists control nearly six miles of Route 1.

Local Viet Cong administrations apparently are working hard to consolidate control over areas long occupied by the Communists as well as those recently overrun.

There are also fresh indications that the Viet Cong will bolster their administrative ranks with civilian experts from North Vietnam. In some areas, the Viet Cong are said to have begun setting up "peace committees," to take the lead in overt agitation against the government.

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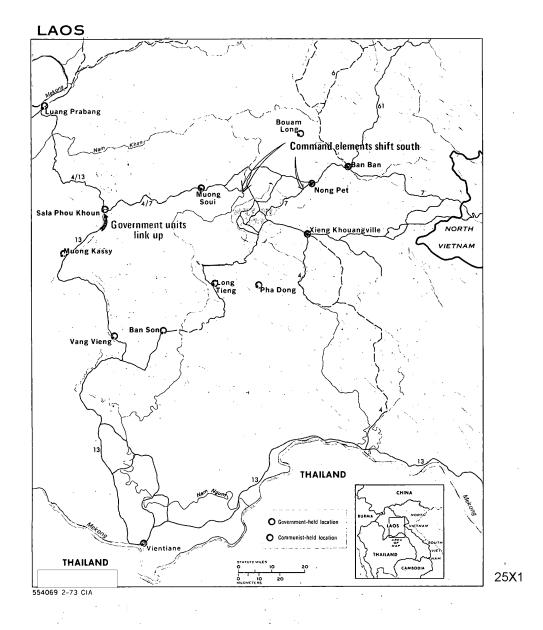
On the government side, President Thieu is again attempting to improve his standing with the country's religious and political groups. Thieu took a conciliatory line in a recent meeting with major religious and political leaders in which he briefed them on the cease-fire agreement. He asserted that in any future elections in which the Viet Cong participate, the non-Communist side must win regardless of whether it is represented by pro-government or opposition candidates. Thieu indicated his willingness to discuss the grievances of some in his audience, such as the restrictive political parties decree, and he also stressed his desire to take effective action against corruption to prevent the Communists from exploiting the issue.

Maritime activity has increased near Haiphong. vessels	25X1
towing minesweeping equipment through the main	
harbor channel, and other small craft were active	
in the area. This follows the recent departure	•
from Haiphong of the North Vietnamese cargo ship	
Viet Bao, the largest ship to leave the harbor	
since the mining last spring.	25X1
lightering	25X1
of foreign merchant ships along the northern coast	
since the mining.	25X1
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LAOS

Government and Pathet Lao negotiators held their first private session yesterday at the home of the acting head of the government delegation.

The Communists dropped their previous insistence that these sessions be held at their residence--another sign of Pathet Lao eagerness to get substantive talks under way.

Meanwhile, the Communists may be abandoning their five-week siege of the government outpost at Bouam Long. The Communists have not shelled the base in the past two days, and its defenders have begun long-range patrolling for the first time in over a month. Sustained heavy bombing apparently has forced some Communist units to withdraw. Communications intelligence indicates that command elements of two North Vietnamese infantry regiments that moved into the area late last year have now moved south toward the Plaine des Jarres.

West of the Plaine, the retreat of almost all Pathet Lao and dissident neutralist units from along Route 13 enabled Lao Army forces on 30 January to push up the road and join the irregular troops holding the Sala Phou Khoun road junction. Some small Communist units are still resisting government efforts to clear Route 13 to the north.

USSR-VIETNAM

At a dinner on 30 January honoring visiting North Vietnamese dignitaries, General Secretary Brezhnev declared that postwar aid to Vietnam "can and must be an act of solidarity of peoples and states regardless of their social systems"--the first time any Soviet leader has commented on the possibility of joint East-West aid.

On the same day a Soviet official at the UN told a US counterpart that each country would have its own bilateral aid program but would also contribute to an international program in which he expected the UN to play an important role. The official said he would welcome talking to someone from Washington about the subject before returning to Moscow on 9 February.

In the past, Moscow has been unwilling to participate in any cooperative aid ventures with the West lest the impact of its own assistance be diluted. Several factors might nevertheless induce the Soviets to reverse their stand in respect to Vietnam, even if they take part in a limited way. Moscow might hope to win points with Washington. Moscow might also believe that Soviet-US involvement in a joint enterprise throughout Vietnam would help encourage both Washington and Saigon to comply fully with their political commitments. In addition, the Soviets might hope the multilateral aid projects would lessen North Vietnam's dependence on China.

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CAMBODIA

Former deputy prime minister In Tam has received some highly favorable initial reaction in Phnom Penh to his recent suggestion that a small government-insurgent commission be set up to arrange a cease-fire, revise the constitution, and organize free elections.	25X1
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Lon Nol would object to some aspects of In Tam's plan, though at least he would have no quarrel with its suggestion that Sihanouk be excluded from any role in Cambodia's future.

SOUTH KOREA - NORTH KOREA

South Korean CIA Director Yi Hu-rak recently provided US officials in Seoul with a sober assessment of the North-South talks that disclosed a toughening of Seoul's attitude toward the negotiations. In sharp contrast to his optimistic discussion of exchanges and unification late last year, the CIA director now spoke only of coexistence with Pyongyang and implied that little progress in the negotiations should be anticipated.

In this, Yi was taking his lead from President Pak Chong-hui's tough New Year's statement, which emphasized the difficulties facing the South in the talks and urged caution in dealing with Pyongyang. Pak's attitude reflects a deliberate attempt to dampen popular expectations raised by the dramatic breakthroughs of last year. The early euphoria served Pak's purposes well, enabling him to use the prospect of progress in the talks as the rationale for a government reorganization that further centralized power in his hands. Now that these reforms are almost complete, he has apparently decided to give the negotiations lower priority.

Yi also stressed the negative attitude of the North toward the negotiations. He pointed to the tough stand taken by Pyongyang's representatives in recent working-level sessions and the North Koreans' refusal to set a date for the next high-level meeting. He also expressed concern about increasingly harsh North Korean propaganda. Yi had no ready explanation for the changed North Korean attitude.

Recent North Korean statements suggest that Pyongyang may be disappointed with the limited political returns the talks have provided thus far.

Despite the negative attitude of the two sides, neither gives any indication that it wants to end the dialogue, and some non-political agreements may be concluded in the months ahead.

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USSR - MIDDLE EAST

A recent flurry of Soviet diplomatic activity suggests that Moscow is getting ready to play a role in discussions on a Middle East settlement. It clearly expects an early revival of international efforts to this end and does not want to be left out of the action.

Since late last week, the Soviet ambassadors in Egypt, Syria, and Iraq have called on the presidents of those countries. In the Egyptian case, this was the first time President Sadat has received the Soviet ambassador since the Soviet military expulsion last July. The brief press releases on these contacts give no hint of the topics discussed. Moreover, Sadat's national security adviser is going to Moscow soon to discuss what can be done to break the Middle East deadlock.

Meanwhile, Mikhail Sytenko, the director of the Soviet Foreign Ministry's Middle East department, was in Rome last weekend briefing the Italians on how the Soviets believe a settlement should be approached.	25X1
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PHILIPPINES-US

President Marcos yesterday brought the US base issue out in the open by announcing that his government will thoroughly review Philippine-US relations, with particular regard to the base rights.

Marcos often turns the heat on the US when it seems politically expedient. During a domestic crisis last summer, for example, he publicly demanded a better deal for the Philippines, but dropped the subject when the crisis blew over. Nevertheless, although technical discussions on a new agreement were completed a year ago, Manila has not yet shown any inclination to proceed with the high-level talks needed to conclude the process.

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UK-Malta: Prime Minister Mintoff is again threatening to evict the British forces--this time on 31 March--unless London agrees to discuss compensation for Malta's losses caused by the sterling float. This follows Prime Minister Heath's rejection of Mintoff's suggestion last week that a mediator be brought into the dispute and Heath's insistence on settling only the bilateral issues. Mintoff's next move may be to seek a meeting with Heath, for which he has been angling for some time. Meanwhile, he apparently is proceeding as though the base agreement will continue. The draft of Malta's seven-year development plan appears to assume that base rental payments will continue and Mintoff has announced a new set of incentives to attract foreign investment--which would have little chance of success should the British be forced out.